

Commonwealth of Massachusetts
Department of Telecommunications and Energy
Fitchburg Gas and Electric Light Company
Docket Nos. D.T.E. 02-24/25
Responses to the Department's Sixth Set of Information Requests

Request No. DTE 6-30 (Gas):

Refer to work papers supporting Sch. JLH-6 (Gas) Exh. 13. Please explain how the costs for the development of capacity related investment for years 2007, 2011, 2013, 2014 and 2017 were estimated.

Response:

The company performed a system growth forecast study using a constant growth rate of 1.5% applied to Design Day Loads. The specific growth rate was not critical to the analysis. It was essential that the reinforcement costs were specific to the incremental growth hypothesized. In this manner the unit costs could be used as a valid proxy for marginal reinforcement costs. As the overall system load increased, the capability of specific sections of the distribution system was exceeded resulting in unacceptably large pressure drops. System reinforcement would be required in each instance to maintain system integrity on a design day. Five projects were identified at different system locations and different levels of reinforcement when the system loads reached critical levels. For each required reinforcement an estimate of reinforcement costs was developed.

Person Responsible: James L. Harrison